

TRIP Task Force Decision Point List – Substantive Issues – Nine Month Case

| Issue | Legal Standard from TRO or State Law | Talk America Inc. Position re: Issue Importance | Questions or Factors for State Commissions to Consider |
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| Must ILECs unbundle local circuit switching for mass market customers? | Presumptive finding of impairment. “A requesting carrier is impaired when lack of access to an incumbent LEC network element poses a barrier or barriers to entry, including operational and economic barriers, which are likely to make entry into a market uneconomic.” | <p>This issue reflects the crux of the question that must be resolved if an ILEC seeks to overcome the presumption in the Triennial Review Order that unbundling of circuit switching for mass market customers is required.</p> <p>In order to over come the presumption that local circuit switching for mass market customer must continue to be offered an unbundled network element (UNE) at TELRIC rates, an ILEC will need to prove that there are no remaining material economic or operational barriers to entry into the mass market through non-UNE switching, and that financially sound wholesale sources of mass-market switching capacity are present in specific markets.</p> <p>Further, with regard to Bell operating companies, unbundled switching is a section 271 “competitive checklist” item, and the implications of this designation will need to be investigated.</p> | For the relevant product market in each geographic market, can ILEC overcome presumptive finding of impairment by showing that economic and operational barriers to entry have been removed? Economic barriers may include the need for access to capital, lack of first-mover advantage, and other entry and exit barriers. Operational barriers may include lack of access to high capacity loops delivered in an accurate and timely way, lack of an accurate and timely loop migration process (including software, hardware, and other aspects of a “coordinated hot cut,” for example), and lack of accurate and timely information regarding, for example, loop availability and loop migration. |
| I. Definition of Market | | | |
| IA. Product Market | | | |
| IA.1. What products and technologies are available as a <u>substitute</u> for ILEC local circuit switching? | | This issue is one part of the analysis required to resolve the overriding question identified above. In examining this issue, it is important to examine switching in a broader context than whether switching facilities are theoretically available. CLEC impairment also results from the additional economic and operational disadvantages they face in <i>combining</i> ILEC loops and non-ILEC switches to provide a complete retail service. Accordingly, issues surrounding these disadvantages should also be an integral part of the investigation. | <p>Factors to consider:</p> <ul style="list-style-type: none"> • Switch capacity, scalability, and upgradeability • Availability and functionality of features • Vendor constraints <ul style="list-style-type: none"> - hardware manufacturing schedule and capacity constraints - software programming schedule and capacity constraints - vendor budgetary and fiscal constraints <p>Is it appropriate to consider switches other than traditional local circuit switches, such as “soft</p> |

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| | | | switches”? If so, what economic and operational barriers are presented by the use of “soft switches”? |
| IA.2. Is there a <u>stand-alone</u> market for local circuit switching or switching functions? | | It is important to examine the availability of local circuit switching in the broader context of whether there is a wholesale switching market available to serve mass-market customers. In order to find that <i>all</i> potential CLECs are “not impaired” without access to ILEC switching, the Commission must find that vibrant, sufficient and robust wholesale alternatives to ILEC-switching are present and being used to serve mass-market customers. Even if all operational impairments were removed, there are significant economic barriers that limit the number of switches that could be profitably deployed in a market. Therefore, focusing only on resolving self-provisioning impairments will leave the vast majority of CLECs “impaired” if wholesale markets are not in place. | Is it assumed that CLECs will provide UNE local switching to each other, or only that the installation of a switch(es) by one CLEC means that at least one other CLEC will also install at least one switch of its own? |
| <u>IB.Geographic Market</u> | | The Commission must examine impairment for specific markets within the state. Geographic markets should be analyzed by reference to both demand-side and supply-side considerations. Talk America believes the Commissions should examine geographic markets broadly. The dangers of making a mistake with a “too small” geographic market definition (e.g., central office-specific) are significant and could result in exit from the market. In contrast, the dangers of finding impairment in a geographic market that is “too large” will not, by itself, result in less competitive entry. | Possible boundaries to consider: (1) LATA (2) Minimum or typical ILEC service area “unit” (e.g., exchange, wire center, rate center) (3) Minimum or typical CLEC service area “unit,” if any (4) MSA (5) Performance measurement geographic disaggregation area (6) Entire state Questions to Consider: <ul style="list-style-type: none"> May some geographic markets be combined |

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| | | | <p>for certain impairment “sub-analyses” (for example, perhaps certain ILEC OSS availability issues could be addressed on a statewide market basis), while other impairment sub-analyses are conducted separately for each identified geographic market (for example, perhaps accuracy and timeliness of loop delivery varies for each geographic market in a given state) ?</p> <ul style="list-style-type: none"> • How should the need for precise results in particular disaggregated geographic areas be balanced with the need for an expedited process to meet the FCC’s 9 month deadline? |
| II. Inventory / Existing Product Availability | | <p>Talk America does not believe that analysis of a simple “inventory” of LEC switching for mass-market customers is of much value in the impairment analysis, because CLECs will suffer economic and operational impairment regardless of whether or not there are non-ILEC switches in place. However, some information about how CLECs actually use their deployed switches will provide an indication of the impairments that CLECs suffer with respect to mass-market loops. As a result, any “inventory” need not be excessively detailed and in all events should not be burdensome on carriers.</p> <p>To the extent that any switching inventory is conducted, the relevant facts to collect must relate to the product that is being evaluated, i.e., “mass market services”.. Therefore, relevant inventory information would include:</p> <ul style="list-style-type: none"> • The number POTS lines equipped on the | <p>In order to more accurately determine impairment without access to a particular ILEC UNE, a State Commission may want to conduct an “inventory” to determine the availability of that ILEC UNE and of its substitutes.</p> <p>An inventory could include the following for each LEC in each geographic market:</p> <ol style="list-style-type: none"> (1) number and location of LEC switches and switch substitutes; (2) capacity, utilization, and availability of each switch or switch substitute; (3) distance of each CLEC switch or switch substitute from its interconnected ILEC switch; (4) number of LEC lines provisioned/served by each switch/switch substitute; and (5) number of line and trunk ports on each LEC switch/switch substitute in that area – both actual and potential working ports. <p>The inventory could be further disaggregated to</p> |

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| | | <p>circuit switch.</p> <ul style="list-style-type: none"> * The generic and feature software packages installed on each circuit switch. * The number of unbundled analog loops connected to each out-of-region ILEC switch in the prior quarter and prior year. * The percentage of ILEC analog loops connected to wholesale switch ports. * The financial stability of the carriers owning each circuit switch with analog loops connected to the switch. * The service mix (<i>i.e.</i>, analog loops, DS-1 end-user services, and digital connections to ISPs) of each CLEC switch. | <p>separate stand-alone CLEC switches from physically or virtually collocated CLEC switches/switch substitutes.</p> <p>Questions to consider: When should a switching inventory be conducted? If done periodically in the future, how often?</p> <p>Can/should all LECs be required to provide all relevant data? Is it sufficient to rely solely on data provided by the LECs? What other data sources are available? Is it sufficient to consider only publicly available data? Can/should LECs be required to obtain and provide data from third parties?</p> <p>States may also want to consider the following non-switch subjects for inventory:</p> <ul style="list-style-type: none"> • Collocation (both physical and virtual) – availability, rates, terms and conditions • Alternative means of gaining access to loops – availability, rates, terms and conditions. • Interoffice transport. |
| III. Economic impairment | | | |
| <u>IIIA. General methodology questions</u> | | <p>The basic economic question to be answered is simple and set forth in section 251(d)(2): Can a CLEC successfully provide service to mass-market customers without access to unbundled ILEC switching? The first step in the analysis is to fully understand the demand-side characteristics of “mass market”, such as customer expectations for service and quality, revenue per line, expected calling scopes, etc. If CLECs cannot meet those demand-side expectations without unbundled local switching, impairment is clear, and denying access to unbundled switching will end mass-market</p> | <p>Can/should economic impairment determinations be made on a CLEC-by-CLEC basis? That is, can one CLEC be economically impaired but another CLEC not be economically impaired? Does the answer change for particular types of UNEs (<i>e.g.</i>, switches, loops, transport) or for particular geographic markets?</p> <p>What costing methodology(ies) should be used to determine economic impairment for CLECs? What types of costs should be considered? What types of costs should not be considered?</p> |

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| | | <p>competition. A key focus in the methodology is the importance of asymmetric and sunk costs (discussed in III-E-H), their impact on industry structure, and the resulting importance of wholesale market analysis.</p> <p>At this time, the basic elements of both economic and operational impairment are shared by all CLECs. Thus, it is unnecessary to adopt a CLEC-by-CLEC approach to determining impairment with respect to the mass-market switching.</p> <p>Before a state commission can make a finding of non-impairment, ILECs should be required to prove among other things that a wholesale market for mass-market switching exists. In addition, ILECs should be required to demonstrate that the additional costs that CLECs incur to extend their customers' loops are competitively insignificant and that CLECs can obtain the capital needed to support new investment.</p> <p>In analyzing cost disparities, State commissions should compare CLEC costs to the efficient, incremental cost the ILEC incurs to connect its analog loops and switch ports. The analysis should focus upon whether, given that cost differential, CLECs would be able to provide mass-market services competitively.</p> <p>The analysis of impairment should not be a "margin-based" analysis. The ILECs, with their dominant market position, can lower prices temporarily to eliminate margins, thus forcing new entrants out of the market or preventing new entry. As a result, and because of the lead times, high</p> | <p>Should any LEC(s) be required to file a cost study to demonstrate that economic impairment or non-impairment exists? Yes or no? If yes, who/which LEC(s)?</p> <p>Cost study factors to consider:</p> <ol style="list-style-type: none"> (1) Investment and financing costs (2) Cost of transport facilities (3) Relative CLEC and ILEC cost structures (4) Relative CLEC and ILEC (in)efficiency |

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| | | fixed cost and long lives of the investments necessary to collect unbundled loops, CLECs must base their entry (and/or exit) decisions their expectations of how the market will evolve in the future years. | |
| <p>IIIB. To what extent are CLECs impaired due to the level of (or lack of) actual or potential <u>switch deployment</u>?</p> | | <p>While switch deployment may be one part of the analysis, it is important to recognize that the actual or “potential” number of CLEC switches in an area is not dispositive as to whether CLECs are economically impaired if they are forced to serve mass-market customers using non-ILEC switching, because of the other factors affecting impairment discussed above.</p> | <p>Is a finding of economic impairment (maintaining the presumption) mandated at or below a particular level of actual deployment of CLEC switches of a given capacity?</p> <p>Is a finding of no economic impairment (overcoming the presumption) mandated at or above some other particular level of actual deployment of CLEC switches of a given capacity?</p> <p>Should potential or prospective switch deployment be considered? If so, what are the criteria for considering the likelihood of any potential or prospective switch deployment – <i>e.g.</i>, proof of financing, proof of vendor contract(s)?</p> |
| <p><u>IIIC. Transport</u> issues in an economic impairment analysis</p> | | | |
| <p>IIIC.1. What <u>types of traffic</u> do the CLECs need to be able to route between switches (either ILEC or non-ILEC)?</p> | | <p>This issue is important in evaluating economic and operational impairment. CLECs require the ability to route all intraLATA traffic on the incumbent’s network when purchasing unbundled local switching, just as the ILEC does. The ILEC designs its interoffice network to achieve scale economies based on all traffic it handles including intraLATA traffic, and the nondiscrimination requirements of the Act require that CLECs with that use unbundled local switching share these</p> | <p>What types of transport does the ILEC currently make available to CLECs (<i>e.g.</i>, dedicated, common, direct, shared, other)? Do the results of the impairment analysis vary depending upon the type of transport involved?</p> |

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| | | <p>economies.</p> <p>Because transport facilities require substantial demand before construction can be justified, there are very few alternatives to ILEC facilities for local transport. Thus, competitive carriers need access to ILEC provided UNE transport in order to be on a comparable economic footing with ILECs, and any regulatory restrictions that limit CLECs' access to UNE transport based on the type of retail service being offered will place CLECs at a material cost disadvantage compared to the ILEC.</p> | |
| <p>IIIC.2. What types of <u>restrictions</u>, if any, is the ILEC legally permitted to place <u>on</u> the <u>availability</u> of unbundled transport to CLECs <u>or on</u> the <u>types of traffic</u> that a CLEC is allowed to carry over UNE transport facilities obtained from the ILEC?</p> | | <p>The use and commingling restrictions established in the <i>UNE Remand Order</i> significantly restricted CLECs' ability to use loop/transport combinations to provide local service, principally to enterprise customers. However, the FCC's press release indicates that the commingling restrictions will be <u>eliminated</u> and the use restrictions modified. If the new use restrictions continue to limit competitors' ability to obtain TELRIC-based rates for connectivity between collocations and non-ILEC switches, CLECs' costs for "backhaul" transport will be higher and the demand for such facilities depressed. Such additional costs will add to the impairment costs that CLECs face for serving mass-market customers.</p> | <p>Does the ILEC currently place restrictions on what types of traffic a CLEC may carry over transport facilities obtained from the ILEC? If yes, could these restrictions affect the demand levels for UNE transport and/or the existence or level of impairment?</p> <p><u>Shared Transport</u> – For example, in the context of shared transport, can/should/must the CLEC be allowed to send intraLATA traffic over ILEC-provided shared transport facilities?</p> |
| <p>IIIC.3. To what extent are CLECs impaired due to the availability, capacity, price, terms, and conditions (or lack thereof) of interoffice <u>transport</u> to economically allow CLECs to</p> | | <p>Transport capacity issues are only relevant where additional costs of collocation, digitization, multiplexing and loop provisioning do not themselves create a formidable barrier to entry and impairment.</p> | <p>Who owns/provides the transport? CLEC self-supply or provided by another carrier? If provided by another carrier (ILEC or other?), are there any relevant interconnection issues or disputes?</p> <p>What relationship, if any, exists between a</p> |

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| route traffic? | | <p>The cost of “backhaul” transport between CLEC collocations and non-ILEC switches – which is effectively an additional cost for CLEC loop feeder plant -- is one of the many different types of additional costs that CLECs must incur that ILECs do not. Except in very limited circumstances, such transport is available only from the ILEC. Disputes may arise as to the price for this functionality and there may be disputes as to whether facilities are “available” as UNEs. If they are not, CLECs are forced to order them as exorbitantly priced special access services.</p> | <p>CLEC’s need for transport and the number, location, and capacity of its switches (whether collocated or not): How will that relationship affect the CLEC’s ability to send and receive traffic?</p> <p>Factors to consider:</p> <ul style="list-style-type: none"> • Availability, terms, conditions, and prices for transport, including all forms of EELs. |
| IIID. To what extent are CLECs impaired due to a lack of <u>access to capital</u> ? | | <p>This is a significant factor in examining impairment, because if sufficient capital is not available to CLECs, there cannot be any facilities investment, and high-cost capital means there will be at best limited investment.</p> <p>It is also important to review the scale of the capital resources of the incumbents compared to those of the typical CLEC.</p> | <p>Factors to consider:</p> <ul style="list-style-type: none"> • Type of financing (equity, debt, or other) • Cost of capital (CLEC vs. ILEC) |
| IIIE. To what extent are CLECs impaired due to <u>first-mover advantages</u> ? | | <p>This issue is important to evaluate in the impairment analysis. ILECs enjoy considerable “first mover” advantages that CLECs must attempt to overcome. Because the ILECs’ local networks were built as subsidized monopolies and were constructed with an integrated architecture, <i>i.e.</i>, one designed for a single carrier – the ILEC, only the ILECs have efficient and cost-effective connections between their loops and switches.</p> | <p>Can a particular geographic market ever become saturated with switches so that it cannot support more switches? If so, does this imply that the remaining CLECs are now impaired, even if a state commission originally upheld the FCC’s initial determination of impairment?</p> |

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| | | <p>Competitors cannot provide service using ILEC loops and non-ILEC switches in the same efficient way. These “natural monopoly characteristics” are at the root of all the CLEC impairments in serving mass-market loops.</p> <p>Moreover, incumbents inherited their customers from decades of monopoly privilege. This means that the incumbent effectively gained 100% share without any meaningful customer acquisition cost.</p> <p>In contrast, CLECs must incur considerable costs to acquire and retain customers. Consequently, customer acquisition costs present a substantial entry barrier that must be overcome in addition to the other economic and operational barriers.</p> | |
| <p>IIIF. To what extent are CLECs impaired due to other economic entry barriers, such as <u>supply/demand</u> ratios, that are likely to make market entry uneconomic – either generally or in a particular geographic market(s)?</p> | | <p>Talk America believes that it is critical to consider all of the factors that contribute to economic and operational impairment. Accordingly, supply/demand ratios and other factors beyond simply switching costs and availability, must be evaluated in the impairment analysis. For instance, it is evident that there may be areas in which the total demand for local service is too low to support the deployment (or use) of new or existing switches to serve mass-market customers.</p> | <p>What levels of supply and demand must be demonstrated for both ILEC and CLEC switching and switching capacity to overcome a presumption of “impairment” in a particular geographic area?</p> <p>Can the demand in a particular geographic market be too low to support more switches?</p> |
| <p>IIIG. To what extent are CLECs impaired due to <u>sunk costs</u>?</p> | | <p>Sunk costs play a key role in the impairment analysis and require the Commissions to focus upon whether wholesale sources of “mass-market” switching are present. For example, in this impairment case the ILECs will attempt to force</p> | <p>Factor to consider:</p> <ul style="list-style-type: none"> • Fungibility of CLEC facilities, plant and equipment |

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| | | <p>CLECs to incur substantial sunk costs by deploying unnecessary switching capacity, even though there is adequate switching capacity (operated by the ILECs to serve the entire market already deployed. These ILEC sunk costs, which are “exogenous” to the CLECs cannot be ignored.</p> <p>There are also substantial endogenous sunk costs that make switch-based entry risky and further deter CLEC entry. Thus, construction of material non-ILEC sunk facilities will only occur once the market can sustain a wholesale provider (so that UNE-P-type market entry is needed in significant quantities in order to create the demand necessary to justify sunk costs for a non-ILEC). These same problems had to be overcome before competition could develop in the long distance market. This paradigm should serve as a model for regulators seeking to establish workable, long-term competition in local markets.</p> <p>Finally, although a significant portion of the costs of deploying switches is sunk, the economic impairment relating to switching for mass-market loops does not ultimately depend on this factor. Rather, the demonstration above shows that CLECs must incur significant economic cost penalties compared to the ILEC even if a CLEC’s unit costs for switching were the same as for the ILEC.</p> | |
| IIIH. To what extent are CLECs impaired due to <u>other</u> economic entry or exit barriers? | | As noted previously, it is critical to consider all of the economic factors that affect impairment. Accordingly, the Commission should ensure that its investigation is broadly focused. | Given the total costs to a CLEC of providing service to mass market customers--without purchasing the ILEC’s switch at TELRIC pricing--can the CLEC “compete on price” against the |

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| | | | ILEC? |
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| IV. Operational Impairment | | | |
| IVA. To what extent are CLECs operationally impaired due to impending <u>switch exhaust</u> ? | | All operational factors affecting impairment, including potential switch exhaust, which can substantially impact the growth of facilities-based competition, should be included in the Commission's investigation. If CLECs were forced to migrate from UNE-P to a UNE-L strategy, CLECs would require many more points of interconnection at ILEC tandem switches, which would greatly exacerbate the scale and scope of ILEC facilities exhaust problems. | Factor to consider: <ul style="list-style-type: none"> • Switch capacity, utilization, scalability, upgradeability |
| IVB. To what extent are CLECs operationally impaired due to a lack of timely, accurate delivery of <u>loops</u> from the ILEC in sufficient volumes? | | This is a critical operational issue in evaluating impairment. CLECs are severely impaired in a UNE-L environment if the customer experience is not as good or better than the customer experience in a UNE-P world today. As a result of the ILECs' legacy monopoly and integrated network architecture, the voice-grade loops that serve mass-market customers are all physically connected, or "hard-wired" to the ILECs' facilities and switches. Therefore, irrespective of the economic impairments described above, CLECs cannot offer switch-based service to mass-market customers unless they have large-scale, dynamic and efficient pre-ordering, ordering, provisioning and repair/maintenance methods/processes to ensure that customers can switch seamlessly between providers. Existing processes are both economically and technically insufficient to meet these needs. To the extent the ILECs suggest that they will offer new processes | Factors to Consider: (1) Hot Cut process (2) Other OSS and process issues, if applicable. |

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| | | <p>to overcome these problems, the Commission must ensure that they are actually in place and working and are economical to CLECs, before concluding that this source of impairment has been eliminated.</p> <p>The Commission should also examine the problem of mass-market loops that are connected to integrated digital loop carrier (“IDLC”) equipment, which currently cannot be served by CLECs via UNE-L, because ILECs are unwilling to unbundle IDLC (an issue does not exist in a UNE-P world because CLECs use all ILEC facilities). In instances where IDLC is present, ILECs will take the consumer off of the fiber/IDLC loop and place them on spare copper if available. But if spare copper is not available, the CLEC often cannot serve this customer at all. Thus, ILECs should be required to unbundle IDLC loops and allow CLECs to utilize the full functionality of the ILECs loop facilities.</p> <p>In addition, in a UNE-L environment without access to UNE-P, the CLEC must establish entrance facilities with the ILEC, build collocation cages, place DLC equipment and related transmission equipment in the cage, establish connections between its cages and its switch site and build/test the interconnection network. The long time frames associated with these processes impact the CLEC’s ability to effectively and efficiently serve the mass market. Issues surrounding collocation and the ability to augment a collocation cage (i.e. space, power, terminations, etc...) must also be reviewed to ensure that CLECs can gain access to ILEC loop plant quickly and efficiently</p> | |

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| | | Operational issues must be resolved and result in CLECs being able to gain commercially viable access to and utilize the full functionality of the unbundled loop plant of the ILECs. | |
| IVC. To what extent are CLECs operationally impaired due to a lack of ILEC <u>hot cut processes</u> in place for mass market loops that provide CLECs with a meaningful opportunity to compete for residential and small business customers? | | <p>This is also a critical issue in evaluating impairment. Today's hot cut procedures are inadequate for CLECs to serve the "mass market" due to the highly manual nature of the processes, the inability to scale the processes to meet competitive market demand, and the high risk of customer outage or other service problems. Today, consumers expect to be able to change their local provider as easily and effectively as they change their long distance provider (i.e. PIC process). The hot cut process today, involving numerous manual steps, does not provide consumers with this ability. This problem creates a substantial operational impairment for CLECs attempting to compete in the mass market. Unless and until commercial volumes of customers can be moved as easily, effectively and reliably as they can be using UNE-P or through a PIC change in long distance, operational impairment will continue to exist.</p> <p>Comparability to today's PIC process in terms of quality, efficiency and customer impact is the appropriate standard to determine the adequacy of any loop migration process.</p> | <p>Questions and Factors to consider:</p> <p><u>Hot cut processes</u></p> <p>(1) What types of hot cuts are in place to migrate residential and mass market customers?</p> <p>(2) Are the processes manual or electronic?</p> <p>(3) Regardless of whether electronic or manual, do the hot cut processes enable customers to switch easily and quickly between ILEC and CLEC facilities-based carriers and switches without undue service disruption on the scale required for mass market customers?</p> <p>(4) If manual, are those manual processes adequate, or should electronic processes be developed?</p> <p>(5) Have all hot cut migration scenarios for mass market customers been identified? Do the answers to any of the questions in this section vary based upon the specific hot cut scenario involved?</p> <p>(6) Are the hot cut processes (and, if applicable - hardware, software, and interfaces) in place for both ILECs and CLECs? Are they functional? Are they scalable? How should the hot cut</p> |

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| | | | <p>functionality, capacity and scalability be measured? How can/ should the ILEC demonstrate or “prove” that the hot cut process functions properly? How can/ should the ILEC demonstrate or “prove” that there is sufficient capacity and scalability?</p> <p>(7) How should the timeliness of the ILEC’s hot cut process(es) be measured? How can can/should the ILEC demonstrate or “prove” that it can perform hot cuts for mass market customers on a timely basis? What standards should be used?</p> <p>(8) Does the RBOC have FCC or state approved performance measures for hot cuts that could be used – at least on an interim basis? What do those hot cut metrics and business rules measure? Functionality? Timeliness? Other? Are those performance measures sufficient and appropriate on a long-term basis? Do they appropriately apply to mass market customers/entry?</p> <p>(9) What process, hardware, software, or interface upgrades or modifications need to be made for hot cuts for mass market customers? What are the testing and implementation schedules for those upgrades or modifications?</p> <p>(10) Are there 911 implications for the hot cut processes to residential mass market customers?</p> <p><u>Non hot-cut migration process issues</u></p> <p>(1) Are the ILEC’s pre-order, order, provisioning, and billing processes and OSS needed to migrate customers electronic or manual?</p> |

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| | | | <p>(2) Regardless of whether electronic or manual, do these processes and OSS enable(s) customers to switch easily and quickly between carriers without undue service disruption on the scale required for mass market services?</p> <p>(3) If manual, are those processes and OSS adequate, or should electronic processes and OSS be developed?</p> <p>(4) Have all migration scenarios for mass market customers been identified? Do the answers to any of the questions in this section vary based upon the specific customer migration scenarios involved?</p> <p>(5) Are the customer migration processes, hardware, software, and interfaces in place for both ILECs and CLECs? Are they functional? Are they scalable? How should the migration functionality, capacity and scalability be measured? How can/ should the ILEC demonstrate or “prove” that there is sufficient and/or adequate functionality, capacity, and scalability?</p> <p>(6) How should the timeliness of the migration process(es) be measured? How can can/should the ILEC demonstrate or “prove” that it can perform migrations on a timely basis? What standards should be used?</p> <p>(7) Does the RBOC have FCC- or state-approved performance measures for customer migrations that could be used – at least on an interim basis? What do those migration metrics and business</p> |

TRIP Task Force Decision Point List – Substantive Issues – Nine Month Case

| Issue | Legal Standard from TRO or State Law | Talk America Inc. Position re: Issue Importance | Questions or Factors for State Commissions to Consider |
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| | | | <p>rules measure? Functionality? Timeliness? Other? Are those performance measures and business rules sufficient and appropriate on a long-term basis?</p> <p>(8) What process, hardware, software, or interface upgrades or modifications need to be made to better enable seamless, timely, accurate customer migrations between carriers, without undue service disruption on the scale required for mass market services? What are the testing and implementation schedules for those upgrades or modifications?</p> <p>(9) Are there 911 implications for the migration processes to residential mass market customers?</p> <p>An additional level of analysis must include: Have all of these questions 1-9 been answered as to processes that enable line splitting in the UNE L scenario? To the extent that processes exist today for line splitting, are those processes the same or different for line splitting with UNE L as opposed to UNE P? Do line splitting rates, OSS and processes today give CLECs a meaningful opportunity to compete with ILEC bundled offerings? Do line splitting rates, OSS and processes for line splitting with UNE L provide CLECs with a meaningful opportunity to compete? [PER COVAD]</p> |
| <p>IVD. To what extent are CLECs impaired due to a lack of timely, accurate <u>Customer Service Records</u> so as to allow uninterrupted service, including LNP and access to E-911?</p> | | <p>If a CLEC does not receive a timely/accurate Customer Service Record, the CLEC is negatively impacted in its ability to provision the customer to its network in a timely manner. If the information is inaccurate, the customer may experience a service outage or may not be provisioned with the correct feature/function offerings. Examples</p> | <p>Questions to Consider:</p> <p>Any CPNI issues? Privacy issues? Access to ILEC databases and records? ILEC-affiliate joint marketing restrictions, requirements, or issues (need to ensure non-discrimination)</p> |

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| | | include, but are not limited to, incorrect telephone number information, inaccurate directly listing/directory assistance data, and incomplete line hunting statistics. These inaccuracies can result in numbers not being ported, creating inbound/outbound calling problems, incorrect listings in the white and/or yellow pages and inbound call routing issues. This interruption in service will increase the CLEC's probability of churn and customer complaints, and therefore significantly impair a CLEC's ability to compete. | |
| IVE. To what extent are CLECs impaired due to a lack of <u>interconnection facilities</u> (including, but not necessarily limited to, entrance facilities)? | | If CLECs do not have access to interconnection facilities that are priced at efficient cost-based rates, they will have higher service costs than the ILECs and will thus be at a cost disadvantage. | Question to Consider: Will the ILEC need to construct facilities to allow timely, effective interconnection? |
| | Proc. Tickler Issue | | Can/should/must there be some type of periodic review to evaluate whether to modify the original assumption or finding of either impairment or non-impairment? If so, who has jurisdiction and authority to conduct such a review – the FCC or the State Commission? If applicable, when should the first periodic review begin? What should trigger a periodic review? How often should periodic re-views be conducted? What processes or procedures should/ must be used for this periodic review? [Tickler question: Are there any legal restrictions or requirements governing whether and when a prior presumption |

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| | | | or finding can change from non-impairment to impairment, or vice versa (<i>e.g.</i> , in a periodic review)?] |
| | | | |

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